

The burden per respondent will vary depending on the nature of the suspicious activity being reported.

Estimated Number of Respondents: 6,500.

Estimated Total Annual Burden Hours: 3,900.

Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Assistant Executive Secretary (Administration), Room F-400, Federal Deposit Insurance Corporation, Washington, DC 20429, and to the Office of Management and Budget, Paperwork Reduction Project (3064-0077), Washington, DC 20503.

#### List of Subjects in 12 CFR Part 353

Banks, banking, Crime, Currency, Insider abuse, Money laundering, Reporting and recordkeeping requirements.

For the reasons set out in the preamble, 12 CFR part 353 is proposed to be revised to read as follows:

### PART 353—SUSPICIOUS ACTIVITY REPORTS

Sec.

353.1 Purpose and scope.

353.2 Definitions.

353.3 Reports and records.

**Authority:** 12 U.S.C. 1818, 1819.

#### § 353.1 Purpose and scope.

The purpose of this part is to ensure that insured state nonmember banks file a Suspicious Activity Report when they detect a known or suspected violation of federal law or suspicious financial transaction. This part applies to all insured state nonmember banks as well as any insured, state-licensed branches of foreign banks.

#### § 353.2 Definitions.

For the purposes of this part:

(a) *FinCEN* means the Financial Crimes Enforcement Network of the Department of the Treasury.

(b) *Institution-affiliated party* means any institution-affiliated party as that term is defined in sections 3(u) and 8(b)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1813(u) and 1818(b)(5)).

(c) *Known or suspected violation* means any matter for which there is a basis to believe that a violation of a federal criminal statute (including a pattern of criminal violations) has occurred or has been attempted, is occurring, or may occur, and there is a basis to believe that a financial institution was an actual or potential victim of the criminal violation or was used to facilitate the criminal violation.

#### § 353.3 Reports and records.

(a) *Suspicious activity reports required.* A bank shall file a suspicious activity report with the appropriate federal law enforcement agencies in accordance with the form's instructions, by transmitting a completed suspicious activity report to FinCEN in the following circumstances:

(1) Whenever the bank detects a known or suspected violation of federal criminal law and has a substantial basis to believe that one of its directors, officers, employees, agents, or other institution-affiliated parties committed or aided in the commission of the violation;

(2) Whenever the bank detects a known or suspected violation of federal criminal law, involving or aggregating \$5,000 or more (before reimbursement or recovery), and the bank has a substantial basis for identifying a possible suspect or group of suspects;

(3) Whenever the bank detects a known or suspected violation of federal criminal law, involving or aggregating \$25,000 or more (before reimbursement or recovery), and the bank has no substantial basis for identifying a possible suspect or group of suspects; or

(4) Whenever the bank detects any financial transaction conducted, or attempted, at the bank involving funds derived from illicit activity or for the purpose of hiding or disguising funds from illicit activities, or for the possible violation or evasion of the Bank Secrecy Act reporting and/or recordkeeping requirements. A suspicious activity report must be filed for all instances where money laundering is suspected or where the bank believes that the transaction was suspicious for any reason, regardless of the identification of a potential suspect or the amount involved in the violation.

(b) *Time for reporting.* (1) A bank shall file the suspicious activity report no later than 30 calendar days after the date of initial detection of an act described in paragraph (a) of this section. If no suspect was identified on the date of detection of an act triggering the filing, a bank may delay filing a suspicious activity report for an additional 30 calendar days after the identification of a suspect. In no case shall reporting be delayed more than 60 calendar days after the date of detecting a known or suspected violation.

(2) In situations involving violations requiring immediate attention, such as when a reportable violation is ongoing, the bank shall immediately notify by telephone, or other expeditious means, the appropriate law enforcement agency and the appropriate FDIC regional office

(Division of Supervision) in addition to filing a timely report.

(c) *Reports to state and local authorities.* A bank is encouraged to file a copy of the suspicious activity report with state and local law enforcement agencies where appropriate.

(d) *Exemptions.* (1) A bank need not file a suspicious activity report for a robbery, burglary or larceny, committed or attempted, that is reported to appropriate law enforcement authorities.

(2) A bank need not file a suspicious activity report for lost, missing, counterfeit, or stolen securities if it files a report pursuant to the reporting requirements of 17 CFR 240.17f-1.

(e) *Retention of records.* A bank shall maintain a copy of any suspicious activity report filed and the originals of any related documentation for a period of ten years from the date of filing the suspicious activity report. A bank shall make all supporting documentation available to appropriate law enforcement agencies upon request. Supporting documentation shall be identified and treated as filed with the suspicious activity report.

(f) *Notification to board of directors.* The management of the bank shall promptly notify its board of directors, or a designated committee thereof, of any report filed pursuant to this section. The term "board of directors" includes the managing official of an insured state-licensed branch of a foreign bank for purposes of this part.

(g) *Confidentiality of suspicious activity reports.* Suspicious activity reports are confidential. Any person subpoenaed or otherwise requested to disclose a suspicious activity report or the information contained in a suspicious activity report shall decline to produce the information citing this part, applicable law (e.g., 31 U.S.C. 5318(g)), or both.

By Order of the Board of Directors.

Dated at Washington, DC, this 6th day of September, 1995.

Federal Deposit Insurance Corporation.

**Robert E. Feldman,**

*Deputy Executive Secretary.*

[FR Doc. 95-22750 Filed 9-13-95; 8:45 am]

BILLING CODE 6714-01-P

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Part 1**

[FI-7-94]

RIN 1545-AS49

**Arbitrage Restrictions on Tax-Exempt Bonds; Hearing**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Change of date and location for public hearing on proposed regulations.

**SUMMARY:** This document provides notice of a public hearing on proposed regulations relating to the arbitrage and related restrictions applicable to tax-exempt bonds issued by State and local governments.

**DATES:** The public hearing will be held Thursday, October 12, 1995, beginning at 10:00 a.m. Requests to speak and outlines of oral comments must be received by Thursday, September 21, 1995.

**ADDRESSES:** The public hearing will be held in room 3313, Internal Revenue Building, 1111 Constitution Avenue NW., Washington, DC. Requests to speak and outlines of oral comments should be mailed to the Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Attn: CC:DOM:CORP:R [FI-7-94], room 5228, Washington, DC 20044.

**FOR FURTHER INFORMATION CONTACT:** Christina Vasquez of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622-6803 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:** The notice of proposed rulemaking appeared in the **Federal Register** on Tuesday, May 10, 1994 (59 FR 24094). A notice of public hearing appearing in the **Federal Register** on Thursday, August 17, 1995 (60 FR 42819) announced that the Service would hold a public hearing on proposed regulations relating to the arbitrage and related restrictions applicable to tax-exempt bonds issued by State and local governments on Monday, September 25, 1995, beginning at 10:00 a.m. in the IRS Auditorium.

The date and location of the public hearing has changed. The hearing is scheduled for Thursday, October 12, 1995, beginning at 10:00 a.m. in room 3313, Internal Revenue Building, 1111 Constitution Avenue NW., Washington, DC. Because of controlled access restrictions, attendees are not admitted beyond the lobby of the Internal Revenue Building until 9:45 a.m.

The Service will prepare an agenda showing the scheduling of the speakers after the outlines are received from the persons testifying and make copies available free of charge at the hearing.

**Cynthia E. Grigsby,**

*Chief, Regulations Unit, Assistant Chief Counsel (Corporate).*

[FR Doc. 95-22791 Filed 9-13-95; 8:45 am]

BILLING CODE 4830-01-P

**DEPARTMENT OF TRANSPORTATION****Research and Special Programs Administration****49 CFR Parts 107, 171, 172, 173 and 178**

[Docket No. HM-207C, Notice No. 95-9]

RIN 2137-AC63

**Exemption, Approval, Registration and Reporting Procedures; Miscellaneous Provisions**

**AGENCY:** Research and Special Programs Administration (RSPA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** To expedite processing of applications and to promote clarity and program consistency, RSPA is proposing to revise the procedures for applying for exemptions and to establish procedures for applying for approvals, registering (other than the hazmat registration program), and reporting. In addition, the proposed rule would amend in minor ways a number of provisions, mostly procedural. The intended effect of this NPRM is to provide guidance for persons required to obtain an approval, register, or report with RSPA. By clarifying the requirements, RSPA would reduce the need to seek additional information necessary to complete the processing of applications. The proposed changes also would reduce the processing time.

**DATES:** *Comments.* Comments must be received by November 28, 1995.

**ADDRESSES:** *Comments.* Address comments to Dockets Unit (DHM-30), Hazardous Materials Safety, RSPA, U.S. Department of Transportation, Washington, DC 20590-0001.

Comments should identify the docket and notice number and be submitted, when possible, in five copies. Persons wishing to receive confirmation of receipt of their comments should include a self-addressed, stamped postcard. The Dockets Unit is located in Room 8421 of the Nassif Building, 400 Seventh Street SW, Washington DC 20590-0001. Office hours are 8:30 am to

5:00 pm Monday through Friday, except on public holidays when the office is closed.

**FOR FURTHER INFORMATION CONTACT:**

Jennifer Antonielli, Office of Hazardous Materials Standards, (800) 467-4922, or Kathleen Molinar, Office of the Chief Counsel, (202) 366-4400, RSPA, Department of Transportation, 400 Seventh Street SW, Washington DC 20590-0001.

**SUPPLEMENTARY INFORMATION:****I. Background**

The Federal hazardous material transportation law (Federal hazmat law), 49 U.S.C. 5101-5127, directs the Secretary of Transportation to prescribe regulations for the safe transportation of hazardous material in commerce. 49 U.S.C. 5103. The Research and Special Programs Administration (RSPA) is the administration within the Department of Transportation primarily responsible for implementing the Federal hazmat law. 49 CFR 1.53. RSPA does so through the Hazardous Materials Regulations (HMR), 49 CFR parts 171-180. Under 49 U.S.C. 5117(a), RSPA is authorized to issue an exemption from the Federal hazmat law or the HMR if an applicant demonstrates that public safety will not be compromised. The procedures governing application for an exemption and the manner in which the application is processed are found at 49 CFR subpart B of part 107.

In addition, in numerous instances the HMR require authorization by or registration with RSPA before a person may engage in particular hazmat transportation-related activities in areas such as manufacturing and certifying hazardous material packagings, offering hazardous material for transportation, and transporting hazardous material. Elsewhere, the HMR impose reporting requirements on those engaging in certain hazmat transportation activity. A significant portion of the regulated community is subject to one or more of these types of requirements. Procedures to be followed in seeking an approval from RSPA, registering with RSPA or reporting to RSPA may be found in the HMR provision establishing the particular requirement, but in many cases these procedures are absent or incomplete. There are no general procedural rules in the HMR governing these matters.

This proposed rule would revise existing exemption procedures at 49 CFR subpart B of part 107 and create a new subpart H of part 107 to establish a similar procedural framework for approvals, registrations and reports.